

## **TITLE: ANNUAL SERVICE CHARGES FOR WASTEWATER POLICY**

### **1. PURPOSE**

To provide the basis for the determination by Council of the Annual Service Charges for the Mount Barker District Council Wastewater Service, both sewer and community wastewater management systems (CWMS) .

### **2. SCOPE**

This Policy is applicable to the owners/ratepayers of any property that has access to the Wastewater Service.

### **3. POLICY PRINCIPLES – OUR COMMITMENT**

Annual Service Charges for the Wastewater Service:

- are administered in a fair, transparent and consistent manner to ensure there is adequate funding to maintain, operate and renew the Wastewater Service ;
- provides for the whole of life approach to the Wastewater Service which includes planned future operation and maintenance costs, capital renewal and upgrading (excluding for additional capacity), including the cost of capital and the assessment of risk;
- are the subject of community consultation via the Rating Policy within the Council Annual Business Plan process;
- are included on the Council rates notice issued to each property owner/ratepayer and
- have regard to the Essential Services Commission of SA (ESCOSA) price principles, the National Water Initiative (NWI), Costing Principles for Local Government ) and the National Competition Policy.

### **4. DEFINITIONS**

**Community Wastewater Management Scheme (CWMS)** means any septic tank effluent drainage system or scheme provided or made available by Council for the collection, treatment, storage, distribution and disposal (including by sale of recycled water) of effluent.

**Mount Barker District Council Wastewater Service** means the Council owned and operated Wastewater Service.

**Operation and Maintenance** means regular ongoing day-to-day maintenance work and operational activities necessary to keep a CWMS or Sewer Scheme

operating efficiently. Examples: pipe cleaning, treatment of wastewater including electricity and chemical charges.

**Septic Tank** refers to a concrete, brick or plastic tank located between the last wastewater fixture within a residential or commercial premises and the Council CWMS connection point and is used to provide sufficient time for the biological breakdown of solid materials.

**Service Charges** refers to a charge imposed by Council for the provision of a prescribed service under Section 155(1) of the Local Government Act 1999.

**Sewer Scheme** means any system or scheme provided or made available by Council for the collection, treatment storage, distribution and disposal (including by sale of recycled water) of sewage. A Sewer Scheme excludes a septic tank effluent drainage scheme but may include tankering services as an interim measure.

**Wastewater Service** means the collection, treatment, storage, distribution and disposal (including by sale of recycled water) of effluent or sewage respectively, via a Community Wastewater Management Scheme or Sewer Scheme.

## **5. ROLES & RESPONSIBILITIES**

### **Council:**

- Consider and adopt the Policy;
- Annually review and determine the amounts of the Wastewater Service Charges.

### **Chief Executive Officer:**

- Ensure that there are appropriate resources and systems in place to implement this Policy;
- Consider any unique circumstances to vary the amount of the service charge and to report annually to Council if any are varied.

### **Head of Wastewater**

- Implement this Policy;
- Determine the equivalent number of connections for land uses that are other than traditional residential;
- Ensure that the Wastewater Service Charges have regard to and are considered to be compliant with ESCOSA Pricing Principles, National Water Initiative Pricing Principles and National Competition Policy;
- Monitor the effectiveness of this Policy and recommend required changes to ensure the Policy remains effective;
- Regularly report to ESCOSA and other regulators as required;
- Consider any unique circumstances to vary the amount of the service charge and to report annually to Council if any are varied.

### **Manager Financial Services**

- Ensure that the Wastewater Maintenance Reserve is adjusted as at 30 June each year in accordance with this policy;
- Meet all legislative requirements for the accounting for funds raised by the Wastewater Service Charges to the satisfaction of internal and external audit.

## **6. POLICY STATEMENT**

The Mount Barker District Council Wastewater Service treats wastewater from septic tank effluent (CWMS) within various townships in addition to those areas that have a Sewer Scheme. Population growth within the District has increased the amount of sewage and effluent requiring treatment.

The wastewater treatment plants at Mount Barker and Meadows and the associated pipeline and pumping infrastructure require ongoing maintenance and upgrades as do the lagoons located at Echunga, Macclesfield and Nairne. Laratinga Wetlands also provides treatment (final polishing) of treated wastewater which will continue until the stage 1 upgrade of the Mount Barker wastewater treatment plant is completed.

The CWMS service includes the pump out of septic tanks which are connected to a Council system at each property on a 5 year interval.

The funding of the provision of the Wastewater Service is via an Annual Wastewater Service charge to each property owner, to recover the cost to Council of, operating, maintaining and replacing wastewater infrastructure.

The wastewater Service Charge is imposed on land owners where access to the Wastewater Service is available, whether the property is connected to the Wastewater Service or not.

The Annual Wastewater Service charge is calculated in proportion to the number of connections for specific land uses as follows:

- residential dwellings – being a single household occupancy whether a flat, unit, semi-detached, row cottage or separate dwelling occupied or vacant;
- other land uses – e.g. retirement village, aged care complex, school, church, commercial, industrial, motel (the demand on the Wastewater Service is the key consideration in these circumstances). For such land uses, Service Charges are based on considerations such as the number of employees, beds, students etc as per the Local Government Association of South Australia Code for Establishing and Applying Property Units as a Factor for the Imposition of Annual Service Charges for Community Wastewater Management Systems.

The amount of all Annual Service Charges are reviewed annually and included in the Rating Policy within Council's Annual Business Plan. The Wastewater Service Charges are informed by the long term financial modelling for wastewater undertaken and reviewed annually by Council to aid in achieving full cost recovery.

Any surplus revenue from Wastewater Service Charges raised for the specific purpose of establishing, operating, maintaining, improving and replacing (including any future capital works and depreciation of assets) as per section 155 of the Local Government Act 1999, LGA Costing Principles for Local Government and ESCOSA principles will be included in adjustments to the Wastewater Maintenance Reserve as at 30 June of each year.

### **Transition Arrangements for Brukunga Residents**

Residents of Brukunga have had a Sewer Scheme since the mid 1950's but have paid the same amount as customers who had a CWMS service. In recent years a Sewer Scheme which currently has a higher service charge than the CWMS service, was introduced in the Mount Barker township, while residents in Brukunga were not subjected to this increased service charge through the introduction of a rebate.

This inequity will be managed by introducing a transitional period of a minimum of 10 years to allow for a slight increase in the wastewater Service Charge each year for Brukunga residents until equity in the sewer Service Charge with other ratepayers is achieved.

### **Compliance**

The Annual Wastewater Service Charges comply with the relevant legislation, the Essential Services Commission of SA price determinations, the National Water Initiative and National Competition Policy.

### **Consultation**

The Council's Annual Business Plan is available for community consultation with feedback considered by Council prior to adoption of the Annual Wastewater Service Charges which is normally in July.

## **7. TRAINING / EDUCATION**

Staff involved in the application of this new Policy will be provided with training to ensure that the correct and consistent application of the Policy occurs.

## **8. REVIEW**

This Policy will be reviewed:

- In 12 months and then every three years; or
- the frequency dictated in legislation, or
- earlier in the event of changes to legislation or related Policies and Procedures or;
- if deemed necessary by the Head of Wastewater .

**9. ACCESS TO THE POLICY**

The Policy is available on the Council's website [www.mountbarker.sa.gov.au](http://www.mountbarker.sa.gov.au).  
A copy can be provided on payment of a fixed fee.

**10. FURTHER INFORMATION**

For further information on this Policy, please contact:

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Author	Ros McDougall	Risk & Governance Officer – Projects	4 January 2022
Responsible General Manager:	Brian Clancey	Deputy CEO/GM Governance, Strategic Projects and Wastewater/Recycled Water	February 2022 7 April 2022
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<b>COUNCIL</b>	OM20220502.07		2 May 2022
<b>APPLICABLE LEGISLATION AND RELATED DOCUMENTS:</b>	Local Government Act 1999 and Regulations Water Industry Act 2012		
<b>COMMUNITY PLAN 2020-2035 REFERENCE:</b>	<p>Ecological Sustainability: Clean and abundant water 5.1: Continue to build on Council's reputation as a leader in wastewater management and promote recycling and reuse</p> <p>Community Wellbeing Safety and Resilience 4.4 Provide wastewater treatment services to deliver public health, environmental and economic outcomes and climate change adaptation solutions.</p>		
<b>REVIEW CYCLE</b>	<p>As this is a new policy, a review will be undertaken within 12 months but no later than April 2023</p> <p>Review within 12 months of new Council term</p> <p>It is recognised that from time to time circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a State or Federal Department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council (if statutory) or the Chief Executive Officer (if administrative).</p>		

<b>NEXT REVIEW DATE</b>	April 2023		
<b>DOCUMENT HISTORY:</b>			
<b>DOCUMENT VERSION</b>	<b>DATE</b>	<b>AUTHOR (PERSON TO WHOM CHANGES ARE TO BE RECOMMENDED)</b>	<b>NATURE OF CHANGE</b>
VERSION 1.0	January 2022	Ros McDougall	New policy
VERSION 2.0	February 2022	Ros McDougall	Correction to a definition and correction to responsibility of Manager Finance
VERSION 3	March/April 2022	Ros McDougall	Additions provided by wastewater staff and CGG
<b>DOCUMENT LOCATION:</b>	Council website 4 May 2022 Available for inspection, downloading or printing from our website <a href="http://www.mountbarker.sa.gov.au">www.mountbarker.sa.gov.au</a>		
	A copy can be provided on payment of a fixed fee.		